



1998

Scorebook



1998

Scorebook

Examiner Name _____

Number of Hours Worked _____

Application Number _____

Return Scorebook to:

Sent to Examiner _____
date

Malcolm Baldrige National Quality Award
American Society for Quality
611 E. Wisconsin Avenue
Milwaukee, WI 53202
(414) 765-7205
(800) 248-1946 ext. 7226

Send Scorebook via overnight mail
before _____
due date

☐

Stage 1
Scorebook

☐

Consensus
Scorebook

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Introduction and General Instructions

Introduction

This Scorebook provides Examiners with a concise, organized, and standardized method to record their comments and scores in the evaluation of an applicant. In Stage 1, the independent review, this Scorebook is used to record the individual Examiner's findings. In Stage 2, the consensus review, the Scorebook is used to record the findings of the Consensus Team.

A Suggested Process for Scorebook Completion (beginning on page 3) illustrates a systematic process for evaluating an applicant and indicates how to complete each of the worksheets in the Scorebook.

Timeliness

Note the due date on the Cover Sheet of the Scorebook. The cooperation of Examiners in adhering to turnaround times in the application review process is critical to the success of the program.

Confidentiality

You are reminded that the application, your Scorebook, all notes, computer files, and all other information relating to applicants are highly confidential. Do not conduct your review in the presence of others or leave these documents where other people can have access to them.

Your Task – Scorebook Completion and Return

Your task is to complete the following documents and return them to the American Society for Quality (ASQ) by the due date indicated on the Cover Sheet.

- Cover Sheet
- Key Business Factors Worksheet
- Comment and Scoring Worksheets for 20 Items
- Score Summary Worksheet
- Executive Summary Worksheet
- Cross-Cutting Issues Worksheet
- Consensus Summary Worksheet (at consensus, only)
- Checklist and Conflict of Interest Statement

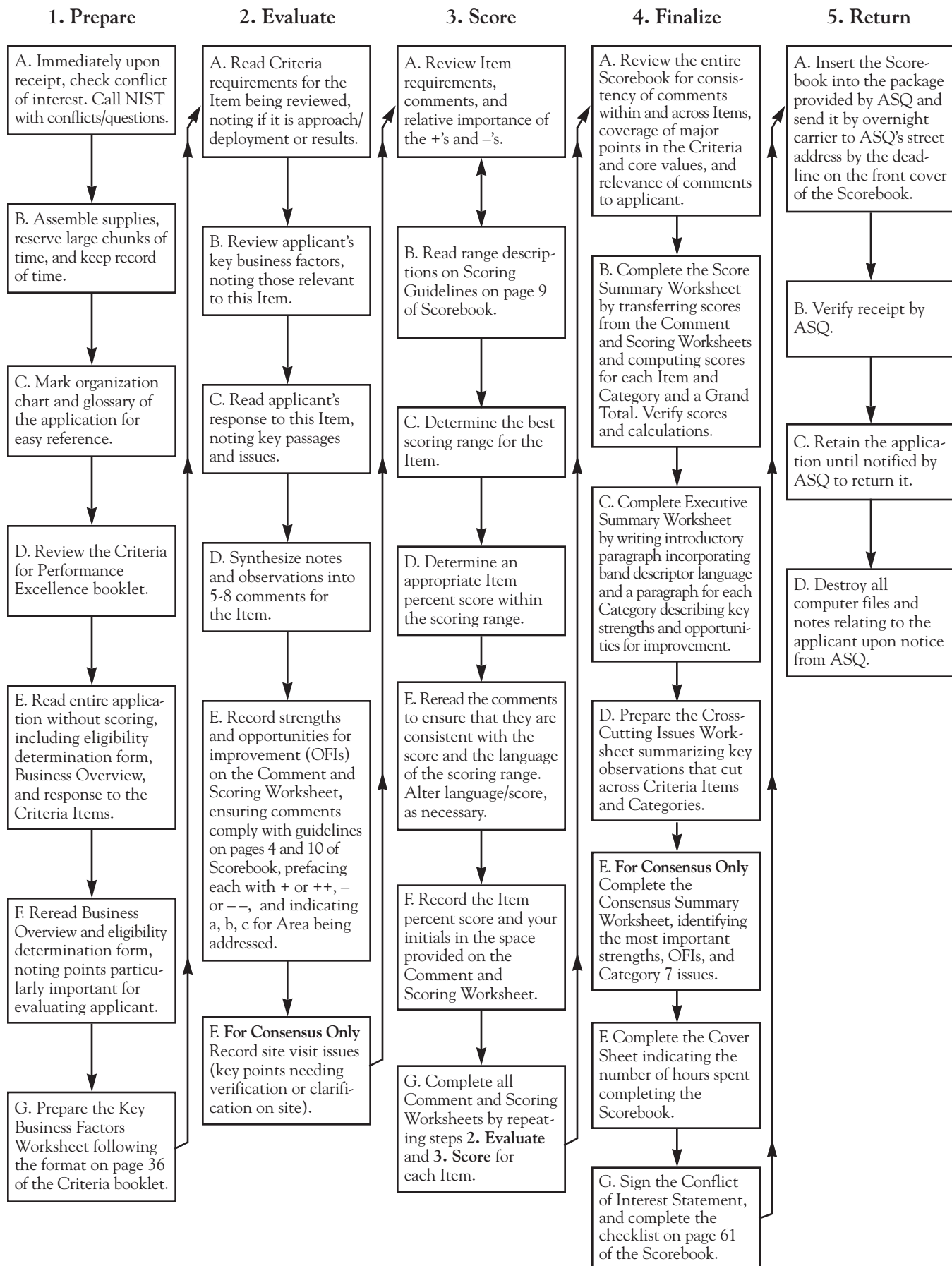
Use of Computers

A copy of the Scorebook can be downloaded from the NIST National Quality Program website at <http://www.quality.nist.gov>.

You may use any word processor to prepare your Scorebook according to the following instructions:

1. Use a format similar to that in the Scorebook. Be sure to include the Key Business Factors Worksheet, all Comment and Scoring Worksheets, the Score Summary Worksheet, the Executive Summary Worksheet, the Cross-Cutting Issues Worksheet, and the Consensus Summary Worksheet (at consensus, only).
2. Use the simplest possible format with no tables or tabs. When possible, prepare or save all Scorebook worksheets in Word 6, 12 point, Times Roman.
3. Use a new Comment and Scoring Worksheet for each Item. Record the application number and your initials on all pages.
4. Record your scores and your name on the Score Summary Worksheet.
5. Read the checklist on page 61.
6. Read and sign the Conflict of Interest Statement on page 61.
7. Return a complete paper copy of the Scorebook to ASQ including:
 - Cover Sheet
 - Key Business Factors Worksheet
 - Comment and Scoring Worksheets for 20 Items
 - Score Summary Worksheet
 - Executive Summary Worksheet
 - Cross-Cutting Issues Worksheet
 - Consensus Summary Worksheet (at consensus only)
 - Conflict of Interest Statement

Suggested Stage 1 Process for Evaluating Applicants



Suggested Process for Scorebook Completion

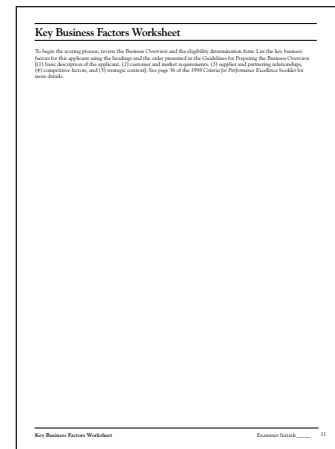
Step 1: Prepare

- A. Check conflict of interest. Read the eligibility determination form and Business Overview with particular attention to the applicant's organization chart, customers, competitors, and suppliers. Notify NIST immediately if you identify any situation, including business, personal, or financial relationships, that could be perceived as affecting your ability to review the applicant fairly and objectively.
- B. Assemble your supplies. To complete an evaluation you will need the following:
- 1998 Criteria for Performance Excellence
 - Application Report
 - 1998 Scorebook
 - Calculator
 - Writing implements/marketing tools
 - Watch or clock

Reserve large chunks of time to evaluate the application, which typically takes a total of 20-40 hours. Keep track of your time to record the total hours worked on the front cover of the Scorebook.

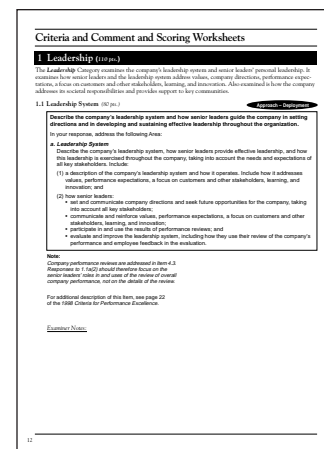
- C. Mark the organization chart and glossary of the application for easy reference.
- D. Review the Criteria for Performance Excellence booklet. You will need a working knowledge of all sections in order to properly evaluate an applicant.
- E. Read the entire application report from cover to cover, including the eligibility determination form, the Business Overview, and the applicant's response to the Criteria Items.
- F. Reread the Business Overview and eligibility determination form, noting (with highlighters or margin notes) the points that are particularly relevant and important to the proper evaluation of the applicant. The applicant's responses throughout the application and your evaluation should reflect the key business factors identified by the applicant in its Business Overview and in Item 9, "Business Factors," of the eligibility determination form.

- G. Prepare the Key Business Factors Worksheet (referring to your highlighting or notes) by listing the key business factors for the applicant. Use the headings and order on page 36 of the Criteria for Performance Excellence booklet:
- (1) basic description of the applicant;
 - (2) customer and market requirements;
 - (3) supplier and partnering relationships;
 - (4) competitive factors; and
 - (5) strategic context.

The image shows a worksheet titled "Key Business Factors Worksheet" with a header section for "To begin the scoring process, review the Business Overview and the eligibility determination form. List the key business factors for the applicant using the headings and the order presented in the Guidelines for Preparing the Business Overview." Below this are five numbered sections: (1) Basic description of the applicant, (2) Customer and market requirements, (3) Supplier and partnering relationships, (4) Competitive factors, and (5) Strategic context. The footer includes "Key Business Factors Worksheet" and "Business Overview" with a page number "11".

Step 2: Evaluate

- A. Read the Criteria for one Item, noting if the Item requests the applicant to discuss an approach and its deployment, or the results of approaches discussed in other parts of the application.

The image shows a page from the "Criteria and Comment and Scoring Worksheets" for Item 1, Leadership. It includes a section for "1.1 Leadership System" with a description of the system and a list of key stakeholders. Below this is a section for "1.2 Leadership System" with a description of the system and a list of key stakeholders. The page also includes a "Notes" section and a "For additional description of this item, see page 22 of the 1998 Criteria for Performance Excellence" reference.

- B. Review the applicant's key business factors. For your convenience, space is provided in the Scorebook (below the text of the Item Criteria) to note the key business factors which are relevant to your assessment of the specific Item. These key business factors should already be included on the Key Business Factors Worksheet.

- C. Read the applicant's response to the same Item. Make notes by highlighting key passages, writing margin notes, or marking on the Scorebook page that contains the Item description. Assess what is written and reasonably supported in the application. If the applicant provides cross-references, or if you find relevant information elsewhere in the application report, consider that information in your assessment of the Item. However, do not make assumptions, positive or negative, that cannot be supported by the information presented in the application report.
- D. Synthesize from your notes the most important observations into 5-8 comments about the applicant's approach/deployment or results for the Item. Ensure that they relate to the major Item requirements in the Criteria. Link them to the applicant's key business factors, as appropriate.
- E. Record the comments as strengths or opportunities for improvement in the space provided on the Comment and Scoring Worksheet for that Item.

Comment Guidelines:

- Each of the 5-8 comments should typically consist of 1-3 complete, declarative, and nonprescriptive sentences that use specific examples from the application. If you are commenting on information from a figure, provide the figure number for ease of reference.
- Record a comment on any Area to Address to which the applicant has not responded.
- Ensure that all comments:
 - Use clear, simple, grammatically correct, and complete sentences.
 - Use a polite, professional, and positive tone.
 - Avoid jargon and acronyms, unless used by the applicant.
 - Use the applicant's terminology without "parroting" the application.
 - State observations that are nonjudgmental (avoid terms like "good," "bad," "effective," "inadequate"), nonprescriptive (refrain from using "could," "should," "would"), and nonpredictive. (Refrain from comments such as "This approach will ensure the applicant's success.")
 - Avoid critiquing the style/organization of the application, focusing instead on the approach, deployment, and results of the applicant's system.
 - Answer the "so what" question, indicating the significance of the comment.
- Preface all comments on strengths with a (+ or ++) sign. Use a (- or --) sign to indicate opportunities for improvement. Double ++ and -- indicate particularly important observations that have a major impact on the applicant's score for the Item and/or particular significance to the applicant's performance management system. Designate comments concerning important missing information with a (- or --). For both strengths and opportunities for improvement on each Item, use a, b, c, etc., to indicate the corresponding Area to Address found in the Item. The following is an example of the use of these signs and typical comments.

7.5 Compare-Specific Results (120 pts.)

(1) STRENGTHS

Area A

(2) OPPORTUNITIES FOR IMPROVEMENT

Area B

SITE VISIT ISSUES (For Consensus Only)

Comment and Scoring Worksheet

Percent Score _____, Examiner Initials _____, SI

7.5 Strengths

++ a The applicant has established internal product and service quality measures that are directly linked to the key requirements of its customers and has shown consistent improvement from 1993-1997 on many of them, including Mean Time Between Calls, Parts Availability, Product Liability and Accrual, and Telephone Answering Time (Figures 7.5-1 and 7.5-3 through 7.5-5).

+ a Non-industry comparisons are provided for Parts Availability, Telephone Answering Time, and Technical Response Time (Figures 7.5-3, 7.5-5, and 7.5-6). Applicant's 1997 performance is better in all three cases.

+ a The applicant has made substantial improvement in on-time performance since 1993 and is achieving more than 96% on-time performance for all products and plants.

Opportunities for Improvement

- a Neither direct competitive comparisons nor benchmarks are provided for any non-price product and service quality measures presented in the application, making it difficult to assess the applicant's performance relative to its competition or industry best.

- a Except for on-time performance, results are not segmented (e.g., by location or product), preventing an assessment of the consistency of performance across business and field units.

Site Visit Issues (For Consensus Only)

- Verify the results presented and clarify results/trends for all key indicators from application to date.
- Clarify whether segmented results (e.g., by location and/or product) and additional competitive data exist and, if so, the performance shown.
- Verify on-time shipments and validate industry averages and benchmark results.

F. **(For Consensus Only)** Record site visit issues in the space provided on the Comment and Scoring Worksheet. These are major/important issues that should be verified or clarified on site. Issues for **verification** include the applicant's approach, the extent of deployment of the approach, and the results presented. For example, if a strength comment discusses the existence of a systematic process, the team would want to verify that the process exists and operates as presented in the written application. Basically, the Site Visit Team is verifying that appropriate credit was given during the consensus review of the written application. This is particularly true where the Consensus Team gave the applicant the benefit of the doubt.

Issues for on-site **clarification** include information that is unclear or not provided that is *central* to the Item requirements and relevant and important to the applicant's business which may have prevented the Consensus Team from properly giving due credit in order to fully and fairly

evaluate the applicant. For example, if the Item requires the applicant to present comparison data, but those data are not provided, a site visit issue would be to clarify if the applicant has comparison data and, if so, what the data show about the applicant's reported results relative to other organizations. (Examples of site visit issues are shown in Step 2.)

Step 3: Score

- Review your comments, the relative importance of the pluses and minuses, and the Item requirements.
- Read the description of the scoring ranges in the Scoring Guidelines on page 9 of this Scorebook to assign a percentage score for the Item. The Scoring Guidelines are divided into two parts: the left side containing scoring dimensions for Approach/Deployment Items, and the right side containing scoring dimensions for Results Items.
- Determine the scoring range (0%, 10-30%, 40-60%, 70-90%, 100%) which best reflects the comments written about the applicant's level of performance on this Item. Score each Item independently. Do not let your impression of the applicant on other Items influence your evaluation of this Item. Applicants will typically be stronger in some Items than others.
- Determine an appropriate score within the scoring range. **For Stage 1, independent review, use only multiples of 10% (i.e., 10%, 20%, not 15%, 28%).**

For Stage 2, consensus review, if using the average, first round percent scores to the nearest whole number. Next round the point scores to the nearest whole number.

The comments and the score for an Item should be consistent, both in terms of the number of comments distributed between the strengths and the opportunities for improvement, and the weight and substance of the comments themselves. For example, the 5-8 comments for an Item scored at 20% would appear predominantly in the opportunities for improvement section of the Comment and Scoring Worksheet.

E. Reread the comments to ensure that they are consistent with the score and the language of the scoring range. Alter language/score, as necessary.

F. Record the Item score and your initials in the spaces provided on the Comment and Scoring Worksheet.

G. Repeat the Evaluate and Score steps for each Item of the 1998 Criteria for Performance Excellence.

Step 4: Finalize

A. Review your entire Scorebook to ensure that:

1. comments are consistent within and among Items (an aspect of the application cannot be a strength in one Item and an opportunity for improvement in the same or another Item); and
2. comments cover the major points and objectives of the Criteria, reflect the core values, and focus on what is important to the applicant as determined by the key business factors.

B. Complete the Score Summary Worksheet with your scores for each Category and Item.

Score Summary Worksheet			
Examiner Name	Application Number		
	Percent Score	Point Score	Category Score
	A	B	C
SUMMARY OF CRITERIA ITEMS			
1. LEADERSHIP (10/100)			
1.1 Leadership Vision	0/5		
1.2 Company Responsibilities and Commitment	0/5		
Category Total	0/10		
2. STRATEGIC PLANNING (40/100)			
2.1 Company Vision/Process	0/5		
2.2 Company Strategy	0/5		
Category Total	0/10		
3. CUSTOMER AND MARKET FOCUS (40/100)			
3.1 Customer and Market Knowledge	0/5		
3.2 Customer Satisfaction and Relationship Enhancement	0/5		
Category Total	0/10		
4. INFORMATION AND ANALYSIS (40/100)			
4.1 Information and Use of Company Information and Data	0/5		
4.2 Analysis and Review of Company Performance	0/5		
Category Total	0/10		
5. HUMAN RESOURCE FOCUS (40/100)			
5.1 Work System	0/5		
5.2 Employee Education, Training, and Development	0/5		
5.3 Employee Well-Being and Satisfaction	0/5		
Category Total	0/15		
6. PROCESS MANAGEMENT (40/100)			
6.1 Management of Product and Service Processes	0/5		
6.2 Management of Support Processes	0/5		
6.3 Management of Employee and Training Processes	0/5		
Category Total	0/15		
7. BUSINESS RESULTS (40/100)			
7.1 Customer Satisfaction Results	0/5		
7.2 Financial and Market Results	0/5		
7.3 Human Resource Results	0/5		
7.4 Quality and Service Results	0/5		
7.5 Company Specific Results	0/5		
Category Total	0/25		
GRAND TOTAL (D)	0/100		D

1. Transfer the percent score from each Item Comment and Scoring Worksheet to Column B of the Score Summary Worksheet on page 53.
2. Compute and record the point score for each Item in Column C. Round to the nearest whole number, as necessary.

3. Compute and record in Column C (Sum C) the Category score for each Category by adding together the Item points.

4. Compute and record at "D" a Grand Total by summing the **Category** point scores in Column C.

5. Verify scores and calculations.

C. Complete the Executive Summary Worksheet to provide an overall evaluation (executive summary) of the applicant. This worksheet is used in the development of the consensus report and the feedback report. Use the format described below.

Executive Summary Worksheet	
Briefly summarize your overall evaluation of the application.	
1) Prepare an introductory paragraph that picks up the language of the appropriate scoring band descriptor (see page 54 for scoring band descriptors) and summarizes the applicant's strengths and core values as reflected in the application.	
2) Write one concise paragraph (4-6 sentences) for each Category, summarizing key strengths and opportunities for improvement that correspond to the applicant's scoring profile and drawing cross-Item conclusions.	
The applicant scored as band _____ in the final Step 4 consensus review of entire application for the Malibu Baking National Quality Award indicating that the applicant _____ (insert wording directly from appropriate band descriptor on page 54).	
Category 1	_____
Category 2	_____
Category 3	_____
Category 4	_____
Category 5	_____
Category 6	_____
Category 7	_____
Executive Summary Worksheet	Application # _____ Examiner Initials _____ 55

1. Locate the appropriate band descriptor on the page entitled, "Scoring Band Descriptors" (page 54), based on the applicant's Grand Total score ("D" on the Score Summary Worksheet). The band descriptors describe typical characteristics of organizations scoring at each band level.
2. Write an introductory paragraph that picks up the language of the appropriate band descriptor and identifies cross-Category issues, Item linkages, and core values as reflected in the application.
3. Following the introductory paragraph, write one concise paragraph (4-6 sentences) for each Category, summarizing key strengths and opportunities for improvement that correspond to the applicant's scoring profile and drawing cross-Item conclusions.

- D. Prepare the Cross-Cutting Issues Worksheet which provides a summary of key observations that cut across Criteria Items and Categories. Provide 4-6 bulleted observations that take a holistic view of the applicant rather than an Item-by-Item or Category-by-Category view.

Examples of cross-cutting issues might include:

- Strategic measures discussed in Item 2.2 are not reflected in the results reported in Category 7 (e.g., satisfaction with product reliability, employee turnover rates, supplier on-time delivery, and product development cycle time).
- Deployment of approaches (e.g., safety approaches, employee satisfaction determination process, customer complaint process, and supplier feedback process) to non-headquarters' locations is not discussed, and no data from those locations appear in Category 7.

E. For Consensus Only

Complete the Consensus Summary Worksheet which provides an overall summary, key points of the team's evaluation of the applicant, and an assessment of the key cross-cutting site visit issues to be explored if the applicant receives a site visit. The Consensus Summary Worksheet should provide information from the evaluation of the written application and the consensus conference call(s).

1. The Consensus Summary Worksheet should not repeat the most significant findings given in the

Item Comment and Scoring Worksheets, but should put them in perspective, taking into account Item linkages, key business factors, and strategy and action plans.

2. The Consensus Summary Worksheet should respond to three questions:
 - (a) What are the most important strengths or outstanding practices (of potential value to other companies) that the Consensus Team identified?
 - (b) What are the most significant concerns, weaknesses, or vulnerabilities that the Consensus Team identified and that must be probed if the applicant receives a site visit?
 - (c) Considering the applicant's key business factors, what are the most significant strengths, vulnerabilities, and/or gaps (data, comparisons, linkages) found in the Business Results Category?
 3. The contents of the Consensus Summary Worksheet will be revised (and will become the Final Summary of the site visit report) following the site visit of the applicant. On the conference call with the Judges following the site visit, the team leader will be asked to explain the site visit findings that led to the revisions.
- F. Complete the Cover Sheet, indicating the number of hours spent completing the evaluation.

- G. Sign the Conflict of Interest Statement indicating that you have no conflict with this applicant, and complete the checklist on page 61.

Before you return this scorebook to ASQ:

☐ If you used your word processor, did you follow the instructions on page 17?

☐ Have you scored each item in increments of 10% (e.g., 10%, 20%, 30%, etc.)?

☐ Have you included in the package to be returned:

- _____ The Cover Sheet (page 1) of the Scorebook?
- _____ Key Business Factors Worksheet?
- _____ Comment and Scoring Worksheets for all 20 items?
- _____ Score Summary Worksheet?
- _____ Executive Summary Worksheet?
- _____ Close-Cutting Issues Worksheet?
- _____ Consensus Summary Worksheet? (for consensus stage, only)

Conflict of Interest Statement

I have no conflict of interest with this applicant.

Signature

Date

Checklist and Conflict of Interest Statement Application # _____ Executive Summary _____ 61

Step 5: Return

- A. Insert the completed Scorebook in the package provided by ASQ by the deadline on the front cover of the Scorebook, and return it to ASQ by overnight carrier.

1. ASQ will provide its overnight mail service account number to be used.
2. Return the package by overnight services to ASQ's street address:

Malcolm Baldrige National Quality Award
American Society for Quality
611 E. Wisconsin Avenue
Milwaukee, WI 53202
(414) 765-7205; (800) 248-1946 ext. 7226

- B. Contact ASQ if you do not receive a fax acknowledging receipt of your Scorebook.
- C. Retain the application until notified by ASQ to return it. Please respond to that request immediately. ASQ will acknowledge receipt by fax.
- D. Destroy all computer files and notes relating to the application when notified by ASQ.

SCORING GUIDELINES

SCORING RANGE	APPROACH/DEPLOYMENT (Categories 1-6)
0%	<ul style="list-style-type: none"> no systematic approach evident; anecdotal information
10% to 30%	<ul style="list-style-type: none"> beginning of a systematic approach to the primary purposes of the Item early stages of a transition from reacting to problems to a general improvement orientation major gaps exist in deployment that would inhibit progress in achieving the primary purposes of the Item
40% to 60%	<ul style="list-style-type: none"> a sound, systematic approach, responsive to the primary purposes of the Item a fact-based improvement process in place in key areas; more emphasis is placed on improvement than on reaction to problems no major gaps in deployment, though some areas or work units may be in very early stages of deployment
70% to 90%	<ul style="list-style-type: none"> a sound, systematic approach, responsive to the overall purposes of the Item a fact-based improvement process and organizational learning/sharing are key management tools; clear evidence of refinement and improved integration as a result of improvement cycles and analysis approach is well-deployed, with no major gaps; deployment may vary in some areas or work units
100%	<ul style="list-style-type: none"> a sound, systematic approach, fully responsive to all the requirements of the Item a very strong, fact-based improvement process and extensive organizational learning/sharing are key management tools; strong refinement and integration — backed by excellent analysis approach is fully deployed without any significant weaknesses or gaps in any areas or work units

SCORING RANGE	RESULTS (Category 7)
0%	<ul style="list-style-type: none"> no results or poor results in areas reported
10% to 30%	<ul style="list-style-type: none"> early stages of developing trends; some improvements <i>and/or</i> early good performance levels in a few areas results not reported for many to most areas of importance to the applicant's key business requirements
40% to 60%	<ul style="list-style-type: none"> improvement trends <i>and/or</i> good performance levels reported for many to most areas of importance to the applicant's key business requirements no pattern of adverse trends <i>and/or</i> poor performance levels in areas of importance to the applicant's key business requirements some trends <i>and/or</i> current performance levels — evaluated against relevant comparisons <i>and/or</i> benchmarks — show areas of strength <i>and/or</i> good to very good relative performance levels
70% to 90%	<ul style="list-style-type: none"> current performance is good to excellent in most areas of importance to the applicant's key business requirements most improvement trends <i>and/or</i> performance levels are sustained many to most trends <i>and/or</i> current performance levels — evaluated against relevant comparisons <i>and/or</i> benchmarks — show areas of leadership and very good relative performance levels
100%	<ul style="list-style-type: none"> current performance is excellent in most areas of importance to the applicant's key business requirements excellent improvement trends <i>and/or</i> sustained excellent performance levels in most areas strong evidence of industry and benchmark leadership demonstrated in many areas

CORE VALUES AND CONCEPTS

Customer-Driven Quality
Leadership
Continuous Improvement and Learning

Valuing Employees
Fast Response
Design Quality and Prevention

Long-Range View of the Future
Management by Fact
Partnership Development

Company Responsibility and Citizenship
Results Focus

Comment Guidelines

Guidelines for Individual Comments

1. Comment on what is **central** to the Criteria Item and relevant and important to the applicant based on the key business factors. Respond to the basic objectives of the Item. Comment only on the requirements of the Criteria without going beyond.
2. Use one to three clear, simple, grammatically correct, and complete sentences. Use notations (a, b, c and +, ++, -, --). Use vocabulary, phraseology from the Criteria, core values, and Scoring Guidelines.
3. Use a polite, professional, and positive tone.
4. Avoid jargon and acronyms, unless used by the applicant.
5. Use the applicant's terminology without "parroting" the application.
6. State observations; be non-judgmental — avoid "good," "bad," "effective," "ineffective," and "inadequate"; be nonprescriptive — refrain from using "could," "should," and "would."
7. Avoid critiquing the style/organization of the report; comment on the approach, deployment, or results of the quality system.
8. Identify the strengths (using specific examples from the application) or the OFIs (using specific omissions or problems in the application). If something "is not clear," give examples of what additional information is needed.
9. Answer the "so what" question; indicate the significance of the comment.
10. If you refer to a figure, provide the figure number, particularly on results Items.

Guidelines for Item Worksheets

1. Comment on each Item — usually 5-8 comments per Item.
2. Reflect the numerical score:
 - Balance of strengths and OFIs should reflect score.
 - Comments on low scoring Items should focus on basic information.
 - Comments on higher scoring Items should focus on finer points.
3. Ensure that strengths do not conflict with OFIs in the same or another Item.

Key Business Factors Worksheet

To begin the scoring process, review the Business Overview and the eligibility determination form. List the key business factors for this applicant using the headings and the order presented in the Guidelines for Preparing the Business Overview [(1) basic description of the applicant, (2) customer and market requirements, (3) supplier and partnering relationships, (4) competitive factors, and (5) strategic context]. See page 36 of the *1998 Criteria for Performance Excellence* booklet for more details.

Criteria and Comment and Scoring Worksheets

1 Leadership (110 pts.)

The **Leadership** Category examines the company's leadership system and senior leaders' personal leadership. It examines how senior leaders and the leadership system address values, company directions, performance expectations, a focus on customers and other stakeholders, learning, and innovation. Also examined is how the company addresses its societal responsibilities and provides support to key communities.

1.1 Leadership System (80 pts.)

Approach – Deployment

Describe the company's leadership system and how senior leaders guide the company in setting directions and in developing and sustaining effective leadership throughout the organization.

In your response, address the following Area:

a. Leadership System

Describe the company's leadership system, how senior leaders provide effective leadership, and how this leadership is exercised throughout the company, taking into account the needs and expectations of all key stakeholders. Include:

- (1) a description of the company's leadership system and how it operates. Include how it addresses values, performance expectations, a focus on customers and other stakeholders, learning, and innovation; and
- (2) how senior leaders:
 - set and communicate company directions and seek future opportunities for the company, taking into account all key stakeholders;
 - communicate and reinforce values, performance expectations, a focus on customers and other stakeholders, learning, and innovation;
 - participate in and use the results of performance reviews; and
 - evaluate and improve the leadership system, including how they use their review of the company's performance and employee feedback in the evaluation.

Note:

Company performance reviews are addressed in Item 4.3. Responses to 1.1a(2) should therefore focus on the senior leaders' roles in and uses of the review of overall company performance, not on the details of the review.

For additional description of this Item, see page 22 of the 1998 *Criteria for Performance Excellence*.

Examiner Notes:

1.1 Leadership System (80 pts.)

+ / ++ Area to Address (+) STRENGTHS

- / -- Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

Describe how the company addresses its responsibilities to the public and how the company practices good citizenship.

In your response, address the following Areas:

a. Societal Responsibilities

How the company addresses the current and potential impacts on society of its products, services, and operations. Include:

- (1) key practices, measures, and targets for regulatory, legal, and ethical requirements and for risks associated with company products, services, and operations; and
- (2) how the company anticipates public concerns with current and future products, services, and operations, and addresses these concerns in a proactive manner.

b. Support of Key Communities

How the company, its senior leaders, and its employees support and strengthen their key communities.

Notes:

N1. Public responsibilities in areas critical to the business also should be addressed in Strategy Development Process (Item 2.1) and in Process Management (Category 6). Key results, such as results of regulatory/legal compliance, environmental improvements through use of "green" technology or other means, should be reported as Company-Specific Results (Item 7.5).

N2. Areas of community support appropriate for inclusion in 1.2b may include efforts by the company to strengthen local community services, education, the environment, and practices of trade, business, or professional associations.

N3. Health and safety of employees are not addressed in Item 1.2; they are addressed in Item 5.3.

For additional description of this Item, see page 22 of the 1998 Criteria for Performance Excellence.

Examiner Notes:

1.2 Company Responsibility and Citizenship (30 pts.)

+ / ++ Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

2 Strategic Planning (80 pts.)

The **Strategic Planning** Category examines how the company sets strategic directions, and how it develops the critical strategies and action plans to support the directions. Also examined are how plans are deployed and how performance is tracked.

2.1 Strategy Development Process (40 pts.)

Approach – Deployment

Describe how the company sets strategic directions to strengthen its business performance and competitive position.

In your response, address the following Area:

a. Strategy Development Process

Provide a brief description or diagram of the strategy development process. Include how the company takes the following factors into account:

- (1) customers; market requirements, including price; customer and market expectations; and new opportunities;
- (2) the competitive environment: industry, market, and technological changes;
- (3) risks: financial and societal;
- (4) human resource capabilities and needs;
- (5) company capabilities — technology and technology management, research and development, innovation, and business processes — to seek or create new opportunities and/or to prepare for key new requirements; and
- (6) supplier and/or partner capabilities.

Notes:

N1. The strategy development process refers to the company's approach, formal or informal, to a future-oriented basis for making or guiding business decisions, resource allocations, and companywide management. This process might use models, market or sales forecasts, scenarios, analyses, business intelligence, and/or key customer requirements and plans.

N2. Strategy should be interpreted broadly. It might include any or all of the following: new products, services and markets; revenue growth; cost reduction; and new partnerships and alliances. Company strategy might be directed toward making the company a preferred supplier, a low-cost producer, a market innovator, a high-end or customized service provider.

Strategy might depend upon many different kinds of capabilities, including rapid response, customization, lean or virtual manufacturing, relationships, rapid innovation, technology management, leveraging assets, business process excellence, and information management. Responses to Item 2.1 should address the factors from the point of view of the company, how it plans to operate, and the capabilities most critical to its performance.

N3. Item 2.1 addresses overall company directions and strategy, including changes in services, products, and/or product lines. However, the Item does not address product and service design; these are addressed in Item 6.1.

For additional description of this Item, see page 23 of the 1998 Criteria for Performance Excellence.

Examiner Notes:

2.1 Strategy Development Process (40 pts.)

+ / + + Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

Summarize the company's strategy and action plans, how they are deployed and how performance is tracked. Include key performance requirements and measures, and an outline of related human resource plans. Estimate how the company's performance projects into the future relative to competitors and/or key benchmarks.

In your response, address the following Areas:

a. Strategy and Action Plans

Provide a summary of the action plans and related human resource plans derived from the company's overall strategy. Briefly explain how critical action plan requirements, including human resource plans, key processes, performance measures and/or indicators, and resources are aligned and deployed.

Describe how performance relative to plans is tracked. Note any important differences between short- and longer-term plans and the reasons for the differences.

b. Performance Projection

Provide a two-to-five year projection of key measures and/or indicators of performance based on the likely changes resulting from the company's action plans. Include appropriate comparisons with competitors and/or key benchmarks. Briefly explain the comparisons, including any estimates or assumptions made in projecting competitor performance and/or benchmark data.

Notes:

N1. The development and implementation of company strategy and action plans are closely linked to other Items in the Criteria and to the overall performance excellence framework as indicated on page 43 of the 1998 Criteria for Performance Excellence. Specific linkages include:

- *Item 1.1 and how senior leaders set and communicate company directions;*
- *Category 3 for gathering customer and market knowledge as input to strategy and action plans, and for implementing action plans for building and enhancing relationships;*
- *Category 4 for information and analysis to support development of company strategy and track progress relative to strategies and action plans;*

- *Items 5.1 and 5.2 for work system and employee education, training, and development needs resulting from company action plans and related human resource plans;*
- *Category 6 for process requirements resulting from company action plans.*

N2. Projected measures and/or indicators of performance (2.2b) also might include changes resulting from new business ventures, new value creation, major market shifts, and/or significant anticipated innovations in products, services, and/or technology.

For additional description of this Item, see pages 23-24 of the 1998 Criteria for Performance Excellence.

Examiner Notes:

2.2 Company Strategy (40 pts.)

+ / ++ Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

3 Customer and Market Focus (80 pts.)

The **Customer and Market Focus** Category examines how the company determines requirements, expectations, and preferences of customers and markets. Also examined is how the company builds relationships with customers and determines their satisfaction.

3.1 Customer and Market Knowledge (40 pts.)

Approach – Deployment

Describe how the company determines longer-term requirements, expectations, and preferences of target and/or potential customers and markets. Describe also how the company uses this information to understand and anticipate needs and to develop business opportunities.

In your response, address the following Area:

a. Customer and Market Knowledge

Provide a brief description of how the company learns from its former, current, and potential customers and markets, to support the company's business needs and to seek market opportunities. Include:

- (1) how customer groups and/or market segments are determined or selected, including the consideration of customers of competitors, other potential customers, and future markets. Describe how the approaches to listening and learning vary for different groups;
- (2) how the company determines and/or projects key product and service features, their relative importance/value to customers, and new product, service, or market opportunities. Describe how key information from former and current customers and markets, including customer retention and complaint information, is used in this determination; and
- (3) how the company's approach to listening to and learning from customers, potential customers, and markets is evaluated, improved, and kept current with changing business needs and strategies.

Notes:

N1. The company's products and services might be sold to end users via other businesses such as retail stores or dealers. Customer groups [3.1a(1)] should take into account the requirements and expectations of both the end users and intermediate businesses.

N2. Product and service features [3.1a(2)] refer to all important characteristics and to the performance of products and services throughout their full life cycle and the full "consumption chain." The focus should be primarily on features that bear upon customer preference and repurchase loyalty — for example,

those features that differentiate products and services from competing offerings. Those features might include price, value, delivery, customer or technical support, and the sales relationship.

N3. Information about customers and markets is requested as key input to strategic planning (Item 2.1). However, strategic plans could also result in a need for new or additional customer and market information, new ways to gather information, and/or new customers and segments from which to gather information.

For additional description of this Item, see pages 24-25 of the 1998 *Criteria for Performance Excellence*.

Examiner Notes:

3.1 Customer and Market Knowledge (40 pts.)

+ / ++ Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

Describe how the company determines and enhances the satisfaction of its customers to build relationships, to improve current offerings, and to support customer- and market-related planning.

In your response, address the following Areas:

a. Accessibility and Complaint Management

How the company provides access and information to enable customers to seek assistance, to conduct business, and to voice complaints. Include:

- (1) how the company determines customer contact requirements, deploys the requirements to all employees who are involved in meeting the requirements, and evaluates and improves customer contact performance; and
- (2) a description of the company's complaint management process. Explain how the company ensures that complaints are resolved effectively and promptly, and that complaints received by all company units are aggregated and analyzed for use throughout the company.

b. Customer Satisfaction Determination

How the company determines customer satisfaction and dissatisfaction. Include:

- (1) a brief description of processes, measurements, and data used to determine customer satisfaction and dissatisfaction. Describe how the measurements capture actionable information that reflects customers' future business with the company and/or positive referral. Indicate significant differences, if any, in methods and/or measurement scales for different customer groups or market segments;
- (2) how the company follows up with customers on products, services, and recent transactions to receive prompt and actionable feedback; and
- (3) how the company obtains objective and reliable information on customer satisfaction relative to its competitors.

c. Relationship Building

Describe:

- (1) how the company builds loyalty, positive referral, and relationships with its customers. Indicate significant differences, if any, for different customer groups or market segments.
- (2) how the company's processes for providing access, determining customer satisfaction, and building relationships are evaluated, improved, and kept current with changing business needs and strategies.

Notes:

N1. Customer satisfaction and dissatisfaction determination (3.2b) might include any or all of the following: surveys, formal and informal feedback from customers, use of customer account data, and complaints.

N2. Customer satisfaction measurements might include both a numerical rating scale and descriptors for each unit in the scale. Effective (actionable) customer satisfaction measurement provides reliable information about customer ratings of specific product, service, and relationship features, the linkage between these ratings, and the customer's likely future actions — repurchase and/or positive referral. Product and service features might include overall value and price.

N3. Customer relationships (3.2c) might include the development of partnerships or alliances.

N4. Customer satisfaction and dissatisfaction results should be reported in Item 7.1. Information on operational measures that contribute to customer satisfaction or dissatisfaction should be reported in Item 7.5. For example, information on trends and levels in measures and/or indicators of complaint handling effectiveness such as complaint response time, effective resolution, and percent of complaints resolved on first contact should be reported in Item 7.5.

Examiner Notes:

For additional description of this Item, see page 25 of the 1998 Criteria for Performance Excellence.

3.2 Customer Satisfaction and Relationship Enhancement (40 pts.)

+ / ++ Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

4 Information and Analysis (80 pts.)

The *Information and Analysis* Category examines the selection, management, and effectiveness of use of information and data to support key company processes and action plans, and the company's performance management system.

4.1 Selection and Use of Information and Data (25 pts.)

Approach – Deployment

Describe the company's selection, management, and use of information and data needed to support key company processes and action plans, and to improve company performance.

In your response, address the following Area:

a. Selection and Use of Information and Data

Describe:

- (1) the main types of information and data, financial and non-financial, and how each type relates to key company processes and action plans;
- (2) how the information and data are deployed to all users to support the effective management and evaluation of key company processes;
- (3) how key user requirements, including rapid access and ongoing reliability, are met; and
- (4) how information and data, their deployment, and effectiveness of use are evaluated, improved, and kept current with changing business needs and strategies.

Notes:

N1. Users [4.1a(2,3)] refers to company work units and to those outside the company who have access to information and data — customers, suppliers, and business partners, as appropriate.

N2. Deployment of information and data might be via electronic or other means. Reliability [4.1a(3)] includes reliability of software and delivery systems.

For additional description of this Item, see page 26 of the 1998 *Criteria for Performance Excellence*.

Examiner Notes:

4.1 Selection and Use of Information and Data (25 pts.)

+ / ++ Area to Address (+) STRENGTHS

- / -- Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

Describe the company's selection, management, and use of comparative information and data to improve the company's overall performance and competitive position.

In your response, address the following Area:

a. Selection and Use of Comparative Information and Data

Describe:

- (1) how needs and priorities for comparative information and data are determined, taking into account key company processes, action plans, and opportunities for improvement;
- (2) the company's criteria and methods for seeking sources of appropriate comparative information and data — from within and outside the company's industry and markets;
- (3) how comparative information and data are deployed to all potential users and used to set stretch targets and/or to stimulate innovation; and
- (4) how comparative information and data, their deployment, and effectiveness of use are evaluated and improved. Describe also how priorities and criteria for selecting benchmarks and comparisons are kept current with changing business needs and strategies.

Note:

Comparative information and data include benchmarking and competitive comparisons. Benchmarking refers to processes and results that represent best practices and performance for similar

activities, inside or outside the company's industry. Competitive comparisons refer to performance relative to competitors in the company's markets.

For additional description of this Item, see page 26 of the 1998 *Criteria for Performance Excellence*.

Examiner Notes:

4.2 Selection and Use of Comparative Information and Data (15 pts.)

+ / ++ Area to Address (+) STRENGTHS

- / -- Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

Describe how the company analyzes and reviews overall performance to assess progress relative to plans and goals and to identify key areas for improvement.

In your response, address the following Areas:

a. Analysis of Data

How performance data from all parts of the company are integrated and analyzed to assess overall company performance in key areas. Describe how the principal financial and non-financial measures are integrated and analyzed to determine:

- (1) customer-related performance;
- (2) operational performance, including human resource and product/service performance;
- (3) competitive performance; and
- (4) financial and market-related performance.

b. Review of Company Performance

Describe:

- (1) how company performance and capabilities are reviewed to assess progress relative to action plans, goals, and changing business needs. Describe the performance measures regularly reviewed by the company's senior leaders.
- (2) how review findings are translated into priorities for improvement, decisions on resource allocation, and opportunities for innovation. Describe also how these findings are deployed throughout the company and, as appropriate, to the company's suppliers and/or business partners.

Notes:

N1. Analysis includes trends, projections, comparisons, and cause-effect correlations intended to support the setting of priorities for resource use. Accordingly, analysis draws upon all types of data: customer-related, operational, competitive, financial, and market.

N2. Performance results should be reported in Items 7.1, 7.2, 7.3, 7.4, and 7.5.

For additional description of this Item, see pages 26-27 of the 1998 Criteria for Performance Excellence.

Examiner Notes:

4.3 Analysis and Review of Company Performance (40 pts.)

+ / + + Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

5 Human Resource Focus (100 pts.)

The **Human Resource Focus** Category examines how the company enables employees to develop and utilize their full potential, aligned with the company's objectives. Also examined are the company's efforts to build and maintain a work environment and work climate conducive to performance excellence, full participation, and personal and organizational growth.

5.1 Work Systems (40 pts.)

Approach – Deployment

Describe how all employees contribute to achieving the company's performance and learning objectives, through the company's work design, and compensation and recognition approaches.

In your response, address the following Areas:

a. Work Design

How work and jobs are designed and how employees, including all managers and supervisors, contribute to ensure:

- (1) design, management, and improvement of company work processes that support company action plans and related human resource plans. Include how work processes are designed and managed to encourage individual initiative and self-directed responsibility;
- (2) communication, cooperation, and knowledge and skill sharing across work functions, units, and locations; and
- (3) flexibility, rapid response, and learning in addressing current, and changing customer, operational, and business requirements.

b. Compensation and Recognition

How the company's compensation and recognition approaches for individuals and groups, including all managers and supervisors, reinforce overall company objectives for customer satisfaction, performance improvement, and employee and company learning. Describe significant differences, if any, among different categories or types of employees.

Notes:

N1. For purposes of the Criteria, employees include the company's permanent, temporary, and part-time personnel, as well as any contract employees supervised by the company. Any contract employees supervised by the contractor should be addressed in Item 6.3.

N2. Work design refers to how employees are organized and/or organize themselves in formal and informal, temporary, or longer-term units. This includes work teams, process teams, customer action teams, problem-solving teams, centers of excellence, functional units, cross-functional teams, and departments — self-managed or managed by supervisors.

Job design refers to responsibilities, authorities, and tasks of individuals. In some work systems, jobs might be shared by a team based upon cross-training.

N3. Compensation and recognition refer to all aspects of pay and reward, including promotions and bonuses, that might be based upon performance, skills acquired, and other factors. This includes monetary and non-monetary, formal and informal, and individual and group compensation and recognition.

Examiner Notes:

For additional description of this Item, see pages 27-28 of the 1998 Criteria for Performance Excellence.

5.1 Work Systems (40 pts.)

+ / + + Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

5.2 Employee Education, Training, and Development (30 pts.)

Approach – Deployment

Describe how the company's education and training support the accomplishment of key company action plans and address company needs, including building knowledge, skills, and capabilities, and contributing to improved employee performance and development.

In your response, address the following Area:

a. Employee Education, Training, and Development

Describe:

- (1) how education and training support the company's key action plans and address company needs, including longer-term objectives for employee development and learning, and for leadership development of employees;
- (2) how education and training are designed to support the company's work systems. Include how the company seeks input from employees and their supervisors/managers in education and training design;
- (3) how education and training, including orientation of new employees, are delivered;
- (4) how knowledge and skills are reinforced on the job; and
- (5) how education and training are evaluated and improved, taking into account company and employee performance, employee development and learning objectives, leadership development, and other factors, as appropriate.

Notes:

N1. Education and training delivery [5.2a(3)] might occur inside or outside the company and involve on-the-job, classroom, computer-based, distance education, or other types of delivery.

N2. Other factors [5.2a(5)] might include: effectiveness of incentives in promoting skill building; benefits and costs of education and training; most effective means and timing for training delivery; and effectiveness of cross-training.

For additional description of this Item, see page 28 of the 1998 Criteria for Performance Excellence.

Examiner Notes:

5.2 Employee Education, Training, and Development (30 pts.)

+ / ++ Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

Describe how the company maintains a work environment and work climate that support the well-being, satisfaction, and motivation of employees.

In your response, address the following Areas:

a. Work Environment

How the company maintains a safe and healthful work environment. Describe how health, safety, and ergonomics are addressed in improvement activities. Briefly describe key measures and targets for each of these environmental factors and how employees take part in establishing these measures and targets. Note significant differences, if any, based upon different work environments for employee groups or work units.

b. Work Climate

How the company builds and enhances its work climate for the well-being, satisfaction, and motivation of all employees. Describe:

- (1) company services, benefits, and actions to support employees; and
- (2) a brief summary of how senior leaders, managers, and supervisors encourage and motivate employees to develop and utilize their full potential.

c. Employee Satisfaction

How the company assesses the work environment and work climate. Include:

- (1) a brief description of formal and/or informal methods and measures used to determine the key factors that affect employee well-being, satisfaction, and motivation. Note important differences in methods, factors, or measures for different categories or types of employees, as appropriate; and
- (2) how the company relates employee well-being, satisfaction, and motivation results to key business results and/or objectives to identify improvement priorities.

Notes:

N1. Approaches for supporting and enhancing employee well-being, satisfaction, and motivation [5.3b(1)] might include: counseling; career development and employability services; recreational or cultural activities; non-work-related education; day care; job sharing; special leave for family responsibilities and/or for community service; safety off the job; flexible work hours; outplacement; and retiree benefits, including extended health care.

N2. Specific factors that might affect well-being, satisfaction, and motivation [5.3c(1)] include: effective employee problem or grievance resolution; safety factors; employee views of management; employee training, development, and career opportunities;

employee preparation for changes in technology or the work organization; work environment and other work conditions; workload; cooperation and teamwork; recognition; benefits; communications; job security; compensation; equal opportunity; and capability to provide required services to customers.

N3. Measures and/or indicators of well-being, satisfaction, and motivation (5.3c) might include safety, absenteeism, turnover, turnover rate for customer-contact employees, grievances, strikes, other job actions, and worker's compensation claims, as well as results of surveys. Results relative to such measures and/or indicators should be reported in Item 7.3.

For additional description of this Item, see pages 28-29 of the 1998 Criteria for Performance Excellence.

Examiner Notes:

5.3 Employee Well-Being and Satisfaction (30 pts.)

+ / + + Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

6 Process Management (100 pts.)

The **Process Management** Category examines the key aspects of process management, including customer-focused design, product and service delivery, support, and supplier and partnering processes involving all work units. The Category examines how key processes are designed, implemented, managed, and improved to achieve better performance.

6.1 Management of Product and Service Processes (60 pts.)

Approach – Deployment

Describe how products and services are designed, implemented, and improved. Describe also how production/delivery processes are designed, implemented, managed, and improved.

In your response, address the following Areas:

a. Design Processes

How new, modified, and customized products and services, and production/delivery processes are designed and implemented. Include:

- (1) how changing customer and market requirements and technology are incorporated into product and service designs;
- (2) how production/delivery processes are designed to meet customer, quality, and operational performance requirements;
- (3) how design and production/delivery processes are coordinated and tested to ensure trouble-free and timely introduction and delivery of products and services; and
- (4) how design processes are evaluated and improved to achieve better performance, including improvements to products and services, transfer of learning to other company units and projects, and reduced cycle time.

b. Production/Delivery Processes

How the company's key product and service production/delivery processes are managed and improved. Include:

- (1) a description of the key processes and their principal requirements;
- (2) how the processes are managed to maintain process performance and to ensure products and services will meet customer and operational requirements. Include a description of key in-process measurements and/or customer information gathering, as appropriate; and
- (3) how production/delivery processes are evaluated and improved to achieve better performance, including improvements to products and services, transfer of learning to other company units and projects, and reduced cycle time.

Notes:

N1. The relative importance of and relationships between design processes and production/delivery processes depend upon many factors, including the nature of the products and services, technology requirements, issues of modularity and parts commonality, customer and supplier relationships and involvement, product and service customization, and overall company strategy. Design, production, and delivery might depend upon and/or utilize new technology in ways that differ greatly among companies. Responses to Item 6.1 should address the most critical requirements to business success.

N2. Responses to 6.1a(1) should include how customers are involved in design, as appropriate.

N3. Responses to 6.1a(3) should include key supplier and partner participation, as appropriate.

N4. Process evaluation and improvement [6.1a(4) and 6.1b(3)] might include process analysis, research and development results, technology management, benchmarking, use of alternative technology, and information from internal and external customers.

N5. Results of improvements in product and service design and delivery processes, product and service quality results, and results of improvements in products and services should be reported in Item 7.5.

For additional description of this Item, see pages 29-30 of the 1998 Criteria for Performance Excellence.

Examiner Notes:

6.1 Management of Product and Service Processes (60 pts.)

+ / + + Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

Describe how the company's key support processes are designed, implemented, managed, and improved.

In your response, address the following Area:

a. Management of Support Processes

How key support processes are designed, implemented, managed, and improved so that current and future requirements are met. Include:

- (1) how key requirements are determined or set, incorporating input from internal and external customers, as appropriate;
- (2) how key support processes are designed and implemented to meet customer, quality, and operational performance requirements;
- (3) a description of the key support processes and their principal requirements;
- (4) how the processes are managed to maintain process performance and to ensure results will meet customer and operational requirements. Include a description of key in-process measurements and/or customer information gathering, as appropriate; and
- (5) how the processes are evaluated and improved to achieve better performance, including transfer of learning to other company units and projects, and reduced cycle time.

Notes:

N1. The purpose of Item 6.2 is to permit companies to highlight separately the processes that support the product and service design, production, and delivery processes addressed in Item 6.1. The support processes included in Item 6.2 depend on the company's business and how it operates. Together, Items 6.1, 6.2, and 6.3 should cover all key operations, processes, and activities of all work units.

N2. Process evaluation and improvement [6.2a(5)] might include process analysis and research, benchmarking, use of alternative technology, and information from internal and external customers. Information from external customers could include information described in Items 3.2 and 4.3.

N3. Results of improvements in key support processes and key support process performance results should be reported in Item 7.5.

For additional description of this Item, see page 30 of the 1998 Criteria for Performance Excellence.

Examiner Notes:

6.2 Management of Support Processes (20 pts.)

+ / + + Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

Describe how the company's supplier and partnering processes and relationships are designed, implemented, managed, and improved. Describe also how supplier and partner performance is managed and improved.

In your response, address the following Area:

a. Management of Supplier and Partnering Processes

Describe:

- (1) how supplier and partnering processes are designed and implemented to meet overall performance requirements and to help suppliers and partners meet these requirements. Include a brief summary of the principal performance requirements for key suppliers and partners, and describe how partners and preferred suppliers are selected, as appropriate.
- (2) how the company ensures that its performance requirements are met. Describe how suppliers' and partners' performance is evaluated, including key measures, expected performance levels, any incentive systems used, and how performance information is fed back to suppliers and partners; and
- (3) how the company evaluates and improves its management of supplier and partnering processes. Summarize current actions and plans to improve suppliers' and partners' abilities to contribute to achieving your company's performance goals. Include actions to minimize costs associated with inspection, testing, or performance audits; and actions to enhance supplier and partner knowledge of your company's current and longer-term needs and their ability to respond to those needs.

Notes:

N1. Supplier and partnering processes could include company processes for supply chain improvement and optimization, beyond direct suppliers and partners.

N2. In 6.3a(1), key suppliers and partners are those selected on the basis of volume of business or criticality of their supplied products and/or services; preferred

suppliers and partners are those selected on the basis of performance criteria.

N3. Results of improvements in supplier and partnering processes and supplier/partner performance results should be reported in Item 7.4.

For additional description of this Item, see pages 30-31 of the 1998 Criteria for Performance Excellence.

Examiner Notes:

6.3 Management of Supplier and Partnering Processes (20 pts.)

+ / ++ Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

7 Business Results (450 pts.)

The **Business Results** Category examines the company's performance and improvement in key business areas — customer satisfaction, financial and marketplace performance, human resource results, supplier and partner performance, and operational performance. Also examined are performance levels relative to competitors.

7.1 Customer Satisfaction Results (125 pts.)

Results

Summarize the company's customer satisfaction and dissatisfaction results.

In your response, address the following Area:

a. Customer Satisfaction Results

Summarize current levels and trends in key measures and/or indicators of customer satisfaction and dissatisfaction, including satisfaction relative to competitors. Address different customer groups and market segments, as appropriate.

Notes:

N1. Customer satisfaction and dissatisfaction results reported in this Item derive from determination methods described in Item 3.2.

N2. Measures and/or indicators of customer satisfaction and satisfaction relative to competitors might include information on customer-perceived value.

N3. Measures and/or indicators of customer satisfaction relative to competitors might include objective information and data from customers and independent organizations. Comparative performance of products and services and operational performance measures that serve as indicators of customer satisfaction should be addressed in Item 7.5.

For additional description of this Item, see page 31 of the 1998 *Criteria for Performance Excellence*.

Examiner Notes:

7.1 Customer Satisfaction Results (125 pts.)

+ / + + Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

7.2 Financial and Market Results (125 pts.)

Results

Summarize the company's key financial and marketplace performance results.

In your response, address the following Area:

a. Financial and Market Results

Provide results of:

- (1) financial performance, including aggregate measures of financial return and/or economic value, as appropriate; and
- (2) marketplace performance, including market share/position, business growth, and new markets entered, as appropriate.

For all quantitative measures and/or indicators of performance, provide current levels and trends. Include appropriate comparative data.

Note:

Aggregate measures such as return on investment (ROI), asset utilization, operating margins, profitability, liquidity, debt to equity ratio, value added per employee, and financial activity measures are appropriate for responding to 7.2a(1).

For additional description of this Item, see page 31 of the *1998 Criteria for Performance Excellence*.

Examiner Notes:

7.2 Financial and Market Results (125 pts.)

+ / + + Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

7.3 Human Resource Results (50 pts.)

Results

Summarize the company's human resource results, including employee well-being, satisfaction, development, and work system performance.

In your response, address the following Area:

a. Human Resource Results

Summarize current levels and trends in key measures and/or indicators of employee well-being, satisfaction, development, work system performance, and effectiveness. Address all categories and types of employees, as appropriate. Include appropriate comparative data.

Notes:

N1. The results reported in this Item should address results from activities described in Category 5. The results should be responsive to key process needs described in Category 6, and the company action plans and related human resource plans described in Item 2.2

N2. For appropriate measures of employee well-being, satisfaction, and motivation see notes to Item 5.3. Appropriate measures and/or indicators of employee

development and effectiveness might include innovation and suggestion rates, courses completed, learning, on-the-job performance improvements, and cross-training.

N3. Appropriate measures and/or indicators of work system improvements and effectiveness might include job and job classification simplification, job rotation, work layout, work locations, and changing supervisory ratios.

For additional description of this Item, see pages 31-32 of the 1998 *Criteria for Performance Excellence*.

Examiner Notes:

7.3 Human Resource Results (50 pts.)

+ / + + Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

7.4 Supplier and Partner Results (25 pts.)

Results

Summarize the company's supplier and partner performance results.

In your response, address the following Area:

a. Supplier and Partner Results

Summarize current levels and trends in key measures and/or indicators of supplier and partner performance. Include company performance and/or cost improvements attributed to supplier and partner performance, as appropriate. Include appropriate comparative data.

Note:

The results reported in this Item should relate directly to processes and performance requirements described in Item 6.3.

For additional description of this Item, see page 32 of the 1998 *Criteria for Performance Excellence*.

Examiner Notes:

7.4 Supplier and Partner Results (25 pts.)

+ / + + Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

7.5 Company-Specific Results (125 pts.)

Results

Summarize company operational performance results that contribute to the achievement of key company performance goals — customer satisfaction, product and service quality, operational effectiveness, and financial/marketplace performance.

In your response, address the following Area:

a. Company-Specific Results

Summarize key company-specific results derived from: product and service quality and performance; key process performance; productivity, cycle time, and other effectiveness and efficiency measures; regulatory/legal compliance; and other results supporting accomplishment of the company's strategy and action plans, such as new product/service introductions. For all quantitative measures and/or indicators of performance, provide current levels and trends. Include appropriate comparative data.

Notes:

N1. Results reported in Item 7.5 should address key company requirements and progress toward accomplishment of key company performance goals as presented in the Business Overview, Items 1.1, 2.2, 6.1, and 6.2. Include results not reported in Items 7.1, 7.2, 7.3, and 7.4.

N2. Results reported in Item 7.5 should provide key information for analysis and review of company

performance (Item 4.3) and should provide the operational basis for customer satisfaction results (Item 7.1) and company financial and market results (Item 7.2).

N3. Regulatory/legal compliance results reported in Item 7.5 should address requirements described in Item 1.2.

For additional description of this Item, see page 32 of the 1998 Criteria for Performance Excellence.

Examiner Notes:

7.5 Company-Specific Results (125 pts.)

+ / + + Area to Address (+) STRENGTHS

- / - - Area to Address (-) OPPORTUNITIES FOR IMPROVEMENT

SITE VISIT ISSUES (For Consensus Only):

Score Summary Worksheet

Examiner Name _____ Application Number _____

SUMMARY OF CRITERIA ITEMS	Total Points Possible A	Percent Score 0-100% (10% units) B	Score (A x B) C
1 LEADERSHIP 110 POSSIBLE POINTS			
1.1 Leadership System	80	_____ %	_____
1.2 Company Responsibility and Citizenship	30	_____ %	_____
Category Total	110		SUM C
2 STRATEGIC PLANNING 80 POSSIBLE POINTS			
2.1 Strategy Development Process	40	_____ %	_____
2.2 Company Strategy	40	_____ %	_____
Category Total	80		SUM C
3 CUSTOMER AND MARKET FOCUS 80 POSSIBLE POINTS			
3.1 Customer and Market Knowledge	40	_____ %	_____
3.2 Customer Satisfaction and Relationship Enhancement	40	_____ %	_____
Category Total	80		SUM C
4 INFORMATION AND ANALYSIS 80 POSSIBLE POINTS			
4.1 Selection and Use of Information and Data	25	_____ %	_____
4.2 Selection and Use of Comparative Information and Data	15	_____ %	_____
4.3 Analysis and Review of Company Performance	40	_____ %	_____
Category Total	80		SUM C
5 HUMAN RESOURCE FOCUS 100 POSSIBLE POINTS			
5.1 Work Systems	40	_____ %	_____
5.2 Employee Education, Training, and Development	30	_____ %	_____
5.3 Employee Well-Being and Satisfaction	30	_____ %	_____
Category Total	100		SUM C
6 PROCESS MANAGEMENT 100 POSSIBLE POINTS			
6.1 Management of Product and Service Processes	60	_____ %	_____
6.2 Management of Support Processes	20	_____ %	_____
6.3 Management of Supplier and Partnering Processes	20	_____ %	_____
Category Total	100		SUM C
7 BUSINESS RESULTS 450 POSSIBLE POINTS			
7.1 Customer Satisfaction Results	125	_____ %	_____
7.2 Financial and Market Results	125	_____ %	_____
7.3 Human Resource Results	50	_____ %	_____
7.4 Supplier and Partner Results	25	_____ %	_____
7.5 Company-Specific Results	125	_____ %	_____
Category Total	450		SUM C
GRAND TOTAL (D)	1000		D

Scoring Band Descriptors

Band	Band Number	Descriptors
0-250	1	Early stages of developing and implementing approaches to Category requirements. Important gaps exist in most Categories.
251-350	2	Beginning of a systematic approach to the primary purposes of the Items, but major gaps exist in approach and deployment in some Categories. Early stages of obtaining results stemming from approaches.
351-450	3	A systematic approach to the primary purposes of most Items, but deployment in some key Areas to Address is still too early to demonstrate results. Early improvement trends in some areas of importance to key requirements.
451-550	4	Effective approaches to many Areas to Address, but deployment in some Areas is still at early stages. Further deployment, measures, and results are needed to demonstrate integration, continuity, and maturity.
551-650	5	A sound, systematic approach responsive to many of the Areas to Address with a fact-based improvement process in place in key Areas. No major gaps in deployment, and a commitment to organizational analysis and learning. Improvement trends and/or good performance reported for most areas of importance.
651-750	6	Refined approaches, including key measures, good deployment, and good results in most Areas. Some outstanding activities and results clearly demonstrated. Good evidence of continuity and maturity in many Areas. Basis for further deployment and integration is in place, with a focus on analysis, learning, and sharing of best practices. May be “industry” leaders or benchmark leaders in some Areas.
751-875	7	Refined approaches, excellent deployment, and good to excellent improvement and levels demonstrated in most Areas. Good to excellent integration, with analysis, learning, and sharing of best practices as key management strategies. “Industry” leadership and some benchmark leadership.
876-1000	8	Outstanding approaches, full deployment, excellent and sustained results. Excellent integration and maturity, with analysis, learning, and sharing of best practices pervasive. National and world leadership.

Executive Summary Worksheet

Briefly summarize your overall evaluation of the application.

- 1) Prepare an introductory paragraph that picks up the language of the appropriate scoring band descriptor (see page 54 for scoring band descriptors) and identifies cross-Category issues, Item linkages, and core values as reflected in the application.
- 2) Write one concise paragraph (4-6 sentences) for each Category, summarizing key strengths and opportunities for improvement that correspond to the applicant's scoring profile and drawing cross-Item conclusions.

The applicant scored in band _____ in the (insert Stage 1 or consensus) review of written applications for the Malcolm Baldrige National Quality Award, indicating that the applicant (insert wording directly from appropriate band descriptor on page 54).

Category 1 —

Category 2 —

Category 3 —

Category 4 —

Category 5 —

Category 6 —

Category 7 —

Cross-Cutting Issues Worksheet

The Cross-Cutting Issues Worksheet provides a summary of key observations that cut across Criteria Items and Categories. Provide 4-6 bulleted observations that take a holistic view of the applicant rather than an Item-by-Item or Category-by-Category view. (For examples, see Step 4-D on page 7.)

Consensus Summary Worksheet

The Consensus Summary Worksheet provides an overall summary of the key points of the Consensus Team's evaluation of the applicant and an assessment of the key cross-cutting site visit issues to be explored if the applicant receives a site visit.

The Consensus Summary Worksheet should respond to the three questions below:

- a. What are the most important strengths or outstanding practices (of potential value to other companies) that the team identified?
- b. What are the most significant concerns, weaknesses, or vulnerabilities that the team identified and that must be probed if the applicant receives a site visit?
- c. Considering the applicant's key business factors, what are the most significant strengths, vulnerabilities, and/or gaps (data, comparisons, linkages) found in the Business Results Category?

Before you return this scorebook to ASQ:

- ☐ If you used your word processor, did you follow the instructions on page 1?
- ☐ Have you scored each Item in increments of 10% (e.g., 10%, 20%, etc.)?
- ☐ Have you included in the package to be returned:
 - _____ The Cover Sheet (page i) of the Scorebook?
 - _____ Key Business Factors Worksheet?
 - _____ Comment and Scoring Worksheets for all 20 Items?
 - _____ Score Summary Worksheet?
 - _____ Executive Summary Worksheet?
 - _____ Cross-Cutting Issues Worksheet?
 - _____ Consensus Summary Worksheet? (for consensus stage, only)

Conflict of Interest Statement

I have no conflict of interest with this applicant.

Signature

Date

The Malcolm Baldrige National Quality Award

United States Department of Commerce
Technology Administration
National Institute of Standards and Technology
National Quality Program
Route 270 and Quince Orchard Road
Administration Building, Room A635
Gaithersburg, MD 20899-0001

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